

**WRITTEN QUESTION TO THE CHIEF MINISTER
BY DEPUTY G.P. SOUTHERN OF ST. HELIER
ANSWER TO BE TABLED ON TUESDAY 7th JUNE 2011**

Question

Does the Chief Minister have any figures for Jersey households relating to the real earnings and standards of living for both low and middle earning families and, if not, will he undertake such research in the light of the Jersey Annual Social Survey 2010 figures which reveal that 2 in 5 of all families except those in the top quintile report financial difficulties?

What measures, if any, does the Council of Ministers have under consideration to research the impact of the following on household finances and, if none, would he explain why:

- (i) Costs of childcare
- (ii) Mortgage availability and costs
- (iii) High rents
- (iv) Taxation policy

Will the Chief Minister outline what scope there is for action to ameliorate the impact of the above factors on family finances in the 2012 Business Plan and Budget?

Answer

A considerable amount of the income and expenditure information to which this question refers is already in the public domain, or will be imminently. This information underpins the impact assessment of potential policy initiatives on household finances.

The Jersey Income Distribution Survey 2009/10, published by the Statistics Unit in September 2010, analysed the income of households. The Index of Average Earnings enables an annual uprating of these household income levels whilst the quarterly Retail Prices Index, including a price index for the lowest income quintile, allows analysis of household income in real terms. Furthermore, the Statistics Unit publishes the Private Sector Rental Index on a quarterly basis in its report on the Jersey House Price Index.

The Statistics Unit is currently finalising the analysis of the expenditure data recorded by the Household Spending Survey, conducted in parallel with the Income Distribution Survey. The Unit aims to publish this analysis in the summer of 2011. This report will include measures of the cost of childcare, mortgages and rent, averaged over all resident households and also broken down by household income, tenure and structure.

Senator Ozouf in his budget speech and in recent briefings to States Members announced that a dedicated tax policy unit has been established within the Treasury department. That unit is tasked with reviewing Jersey's tax system to ensure it delivers what the Island needs, the impact on household finances and targeting of relief.

The Treasury and Resources Minister is considering all options for the 2012 Budget, including those to help households. As always his proposals will be open to discussion and amendment during the debate which is the proper time to consider financial impacts and assistance to all households.